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JULY 8, 2004

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U.N. SECURITY COUNCIL PRESSURING KHARTOUM TO ACT

Danforth says world is watching Sudan's response to human crisis

By Judy Aita
Washington File United Nations
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United Nations --- The U.N. Security Council is giving Sudan a few days to implement agreements it made with Secretary-General Kofi Annan to improve the disastrous humanitarian situation in Darfur, including disarming the Jingaweit militias, before moving to impose sanctions, Security Council members said July 7.

Emerging from a videoconference with the secretary-general, who is traveling in Africa, council members said that Annan and other senior U.N. officials described the situation as grave. They added that Khartoum has only a matter of days to begin fulfilling the commitments it made to the secretary-general during his visit June 29 to July 3.

U.S. Ambassador John Danforth said that "the question isn't what the government of Sudan agrees to do verbally, the question is, 'What's it going to do?'"

"The attention of the world is now on Sudan and the government of Sudan and what its actual performance is going to be. Is it going to rein in the Jingaweit or is it not? We're watching," said Danforth, who had just attended his first Security Council meeting since being sworn in earlier this month as the chief U.S. envoy to the United Nations.

“Is [the Sudanese government] going to provide for total humanitarian access to Darfur? ... “ the ambassador asked. “We’re holding them accountable.”

The United States informally circulated a draft resolution that would impose a travel ban and arms embargo on the Jingaweit and call on Khartoum to protect the displaced persons and allow humanitarian workers access to the camps. The council will be meeting at the so-called “experts” level July 8 to refine the draft and get it ready for a vote if conditions on the ground in Darfur do not change.

Danforth, who had been the Bush administration’s special envoy to Sudan, said in reference to the timetable for moving on the resolution that the U.S. delegation is “talking about days, this week.

“Thirty days is too long for the government to act,” the ambassador said, emphasizing that it must be very clear to the government of Sudan that they are going to be judged “in the very short term” and that the world is ready to act.

German Ambassador Gunter Pleuger said that “for the Security Council, we feel it is a matter of credibility to be ready to act now, and we are in favor of the Security Council making sure and making visible that we are prepared to act.”

The Sudanese government “has made commitments, and I think the commitments should show up in the resolution as benchmarks,” Pleuger said. “If they are not heeded, then my delegation at least would be prepared to consider sanctions, including an arms embargo not only against the Jingaweit but also against Sudan as a whole.”

Council President Mihnea Motoc of Romania said that the council “called for sustained pressure on the government of Sudan ... to promote progress and find a solution to the humanitarian situation. Further action would depend very much on the action the government in Khartoum is showing in the commitments it has entered into.”

During the videoconference, the secretary-general told the council that “the situation of the internally displaced people in Darfur and of the Sudanese refugees in Chad is indeed grave. Too many of the internally displaced, in particular, live in sub-human conditions with inadequate food, shelter, water, medicine, and other basic supplies.

“They also live in constant fear for their lives in the face of continuing attacks and harassment by the Jingaweit

and other armed groups,” Annan said. “The civilian population outside the major towns and camps are particularly vulnerable to such attacks.”

Every one of the refugees who spoke with him and other U.N. officials during his visit to the region “expressed extreme distrust of both government troops and militias, and particularly the Jingaweit,” Annan said. “They said that they still feel harassed and deeply insecure. They did not want to go back to their villages until there was peace and their security could be guaranteed.”

The secretary-general said the situation is totally intolerable, unacceptable, and has to change. All involved must do more, those attending the closed session said.

“Pressure on Sudan is necessary,” U.N. Emergency Relief Coordinator Jan Egeland said after the meeting. “It is a logistical nightmare for us to help them, but we have for the first time now -- since this crisis started last year -- access to the internally displaced. ...

“In the month of July we will be either able to step up to ... feed 1.2 million people,” providing most with water, sanitation and health care, “or we will fail,” Egeland said.

Currently, security in Darfur is “not good enough, and funding is still short,” he said. “The U.N. has only 40 percent of what we have asked for. If we do not get 100 percent, we will not get enough food and people will starve.”

The United Nations has asked for \$350 million as a minimum, but Egeland said that number may be increased by the end of the year. The United States already has spent \$117 million on the emergency and will spend another \$150 million over the next 18 months, according to the U.S. Agency for International Development (USAID).

SCHOLAR TESTIFIES TO HOUSE COMMITTEE ON WTO, U.S. TAX POLICY

Claude Barfield says divisive issues should be settled by legislatures

In testimony to Congress July 7, American Enterprise Institute scholar Claude Barfield discussed the implications of World Trade Organization (WTO) decisions regarding the U.S. tax system for the foreign income of U.S. corporations.

He outlined the European Union challenge to U.S. Foreign Sales Corporation (FSC) and Extraterritorial Exclusion Act (ETI) tax exemptions for U.S. corporations. The EU claimed they provided an illegal subsidy to U.S. corporations, and the WTO agreed.

Barfield argued that the WTO, when faced with deeply divisive questions, should either declare the issue to be a political one best settled by traditional democratic processes, or throw the decision back to the WTO General Council or even trade negotiations.

In Barfield's view, the WTO's dispute resolution process is flawed and poses a danger to national sovereignty. He focused on four major issues:

-- National Sovereignty and the Reach of WTO Rules into Domestic Policy: Barfield quoted Deputy Secretary of the Treasury Kenneth Dam, who said: "Few things are as central to a country's sovereignty as how it raises revenue...However, it is not the role of the WTO to substitute its judgment for the judgment of a Member's own lawmakers in this regard."

-- WTO as World Tax Court: The United States follows the so-called "world wide system" of taxation, taxing those subject to its jurisdiction regardless of where the income is earned. European countries commonly use the so-called "territorial system," taxing all income within their borders. Barfield maintains that, while the WTO has retreated from its earlier discrimination against the U.S. worldwide system, it has nevertheless arrogated to itself the powers of a world tax court without having the necessary expertise.

-- WTO as Avenger: The WTO "in an apparent attempt to embarrass the United States," has invoked international law normally reserved for political and human rights violations to punish the United States beyond the trade effects of the purported breach of WTO subsidy rules.

-- Need for Reform and Retrenchment: One reform Barfield favors -- "Non Liquef" -- would involve WTO judges throwing contentious decisions back to either the WTO General Council or trade round negotiations. The other reform involves adopting a "political issue doctrine" so that WTO judges can avoid divisive decisions on issues better settled through more traditional democratic processes.

"Heading off corrosive conflicts between the US and the EU in the future will necessitate reform of the international trading rules that have enmeshed -- and entrapped -- both trading superpowers," he said.

LIVING WITH AMERICANS ALTERS MUSLIM STUDENTS' VIEWS OF U.S.

Exchange program promotes cultural understanding, leadership

By Sarah Nash and Todd Bullock
Washington File Staff Writers

Washington -- Indonesian student Dedi Setiadi admits his opinion of the United States has not always been positive.

"In the beginning, I was critical of the U.S. and its policies toward different countries," he said.

In an interview with the Washington File, Dedi said his views changed after a year of living with a Mexican-American family in the United States. "This country is very diverse. I didn't see prejudice," Dedi observed.

He appreciated learning about his host family's culture and sharing with them aspects of Indonesian culture. When he returns home, Dedi plans to help other Indonesian students learn about the United States.

Dedi came to the United States through the State Department's Youth Exchange Program (YES), which brings secondary school students from countries with significant Muslim populations to the United States for an academic year. The students attend an American high school and

live in the home of an American family. The program is overseen by the State Department's Bureau of Educational and Cultural Affairs (ECA).

"These students will take a better understanding of American society back to their communities and correct misperceptions about the United States," Robert Persiko, chief of ECA's Youth Programs Division, said.

"It's different than anything I've seen on TV," Sarah, a Muslim student from Turkey, said of the program. "I thought everyone was for the war (in Iraq) and that they didn't like Muslims because of terrorism. I found people who didn't really care. I mean a lot of people didn't even ask what religion I was. They really wanted to know me as me."

Sarah spoke enthusiastically about her experiences living with a host family in North Carolina, and recounted how she and her friends shared common experiences of growing up, even though they lived in different countries.

"Americans respect others' beliefs," said Titis Andari, another student from Indonesia who stayed with a family in San Jose, California. "They saw me as a person and were interested in my faith as a Muslim. I was not only able to learn about American culture but also to share with my friends and host family about Islam."

She discussed the difference between the views of individual Americans and the policies of the U.S. government, saying: "Before I came, I believed all Americans loved war. But during my stay here, I saw how some Americans supported the war in Iraq, and some did not; and how American society allowed many differences of opinion."

Students in the YES program live with American host families from diverse backgrounds, attend school, and participate in activities to learn about American society and values, acquire leadership skills, and inform Americans about their countries and cultures.

The group that included Dedi, Sarah and Titis was the second to participate in the YES project and included 70 students from Indonesia, Malaysia, Egypt and Turkey. They were scattered across 20 American states.

At the conclusion of their stay, the students were invited to Washington to meet with ECA officials and attend events at the U.S. Congress, the Holocaust Museum, the

National Museum of American History and the Indonesian Embassy.

Patricia Harrison, assistant secretary of state for educational and cultural affairs, has said the YES program is vital to expanding communication between the people of the United States and partner countries in the interest of promoting mutual understanding and respect.

Another student interviewed by the Washington File, Jaziel Lon of Kuala Lumpur, Malaysia, talked about his experience with a host family in the small town of Garden City, Kansas.

"Everyone wanted to learn about where I was from and (about) Malaysian culture," he said. "One of best things about America was its sense of equality to people with handicaps," he said, noting that he himself is partially blind. He said that he wanted to bring greater awareness to his community about people with disabilities.

The YES program is the first U.S. government-sponsored high school exchange program for students from Nigeria, Tunisia, Lebanon, Jordan, West Bank/Gaza, Egypt, Kuwait, Malaysia, Syria, Yemen, Turkey, Pakistan and Indonesia. In the program's first year, 160 students participated. The State Department plans to increase the number to 480 students next year and to include students from Afghanistan, Algeria, Bangladesh, India, Morocco, Oman, the Philippines, Saudi Arabia, United Arab Emirates and the Arab community in Israel.

ONE-THIRD OF COMPUTER SOFTWARE PIRATED, INDUSTRY SAYS

Study estimates \$29 billion in lost revenues in 2003

Thirty-six percent of the software in use worldwide is pirated, causing revenue losses of \$29 billion in 2003, a new industry study says.

"For every two dollars' worth of software purchased legitimately, one dollar's worth was obtained illegally," said the study carried out by the research firm International Data Corp (IDC) for the Business Software Alliance (BSA).

In a July 7 news release, BSA said that the greatest losses in terms of dollars were in Western Europe, where the use of pirated software reduced industry revenues by \$9.6 billion in 2003. Losses in Asia were \$7.5 billion, followed by the United States and Canada, with combined losses of \$7.2 billion, according to the study.

Overall, software worth almost \$80 billion was installed in 2003, although only \$50 billion was purchased legitimately, the study said.

Among individual countries, China and Vietnam had the highest piracy rates of 92 percent each. Ukraine's piracy rate was 91 percent, Indonesia's 88 percent, Russia's 87 percent and Zimbabwe's 87 percent.

The United States had the lowest piracy rate of 22 percent, followed by New Zealand, 23 percent, and Denmark, 26 percent. Both Austria and Sweden had 27 percent piracy rates.

By region, 53 percent of software on computers in Asia was pirated in 2003, 70 percent in Eastern Europe, 63 percent in Latin America, 55 percent in the Middle East, 36 percent in Western Europe and 23 percent in North America.

The dollar losses to industry were largest in Western Europe, North America and Asia because of the size of those markets and the use of sophisticated software, the BSA release said.

The BSA/IDC study calculated the losses by using the known size of the legitimate software market and using the piracy rate to derive the retail value of the software that was not paid for.

BSA did not have comparison data available for 2002 because its 2003 survey include software on servers and personal computers. Earlier BSA surveys looked only at business software.

The study is available on the Internet at:
<http://www.bsa.org/globalstudy/>

The Business Software Alliance (www.bsa.org) is the foremost organization dedicated to promoting a safe and legal digital world. BSA is the voice of the world's commercial software industry before governments and in the international marketplace. Its members represent one of the fastest growing industries in the world. BSA educates consumers on software management and copyright

protection, cyber security, trade, e-commerce and other Internet-related issues. BSA members include Adobe, Apple, Autodesk, Avid, Bentley Systems, Borland, CNC Software/Mastercam, Internet Security Systems, Macromedia, Microsoft, Network Associates, SolidWorks, Sybase, Symantec, UGS and VERITAS Software.

IDC (www.idc.com) is the premier global market intelligence and advisory firm in the information technology and telecommunications industries. IDC analyzes and predicts technology trends so that its clients can make strategic, fact-based decisions on IT purchases and business strategy. Over 700 IDC analysts in 50 countries provide local expertise and insights on technology markets, and IDC's management team is comprised of experienced and respected industry luminaries. Business executives and IT managers have relied for 40 years on its advice to make decisions that contribute to the success of their organizations.

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